

*In re* Losada

10-32254- BKC-LMI

The Debtors sought to reopen a chapter 13 case five months after the case was closed to prosecute a Motion to Value on their property and strip the lien of the third mortgage holder. The Debtors' Plan indicated that they would be seeking to value the property. During the pendency of the case the Debtors filed a Motion to Value in order to strip the lien of the third mortgage holder but the motion named a different lender and was served on the different lender. The order granting the motion also named the different lender. The court rejected the Debtors' argument that the order on the motion to value should be binding on the third mortgage holder. However, after weighing the equities of the situation and the potential prejudice to the parties, the Court determined that laches did not bar the Debtors from reopening the case.